

UNITED STATES DISTRICT COURT
DISTRICT OF MINNESOTA

UNITED STATES OF AMERICA,

Plaintiff,

v.

1. TRUNG QUANG TRAN,
a/k/a "Calvin,"

2. VINCE LONG NGUYEN,

3. THANH VAN NGO,
a/k/a "Tommy,"

4. DANG HAI NGUYEN, and

5. JESSE STEVEN MOXNESS,

Defendants.

) INDICTMENT

) (18 U.S.C. § 2)

) (18 U.S.C. § 371)

) (18 U.S.C. § 981(a)(1)(C))

) (18 U.S.C. § 1343)

) (28 U.S.C. § 2461(c))

CR-10-112 ADM/AJB

THE UNITED STATES GRAND JURY CHARGES THAT:

INTRODUCTORY ALLEGATIONS

1. At all relevant times, defendants Trung Quang Tran, a/k/a "Calvin," Vince Long Nguyen, Thanh Van Ngo, a/k/a "Tommy," Dang Hai Nguyen, and Jesse Steven Moxness were residents of the State of Minnesota.

2. Between 2006 and 2009, Tran was either an owner or co-owner of several businesses using the names of "Ngo & Tran Properties LLC" (hereafter "Ngo & Tran Properties"), Property Masters, and "Invescorp, Inc." (hereafter "Invescorp"). Tran was in the business of negotiating with builders to purchase multiple residential properties at discounted prices.

FILED APR 21 2010
RICHARD D. SLETTEN, CLERK
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United States v. Trung Quang Tran, et al.

3. Between 2006 and 2009, Vince Long Nguyen was the owner of Wells Title, LLC (hereafter "Wells Title"), which was in the business of closing real estate transactions.

4. Between 2006 and 2009, Ngo was the co-owner with Tran of Ngo & Tran Properties and also worked as a loan officer for "Royal Financial" and "Perfection Lending" and was in the business of negotiating with builders to purchase multiple residential properties at discounted prices and representing lending companies for the purchasers or buyers of the residential properties.

5. Between 2006 and 2009, Moxness was the owner of MSJ Custom Homes Inc. (hereafter "MSJ Custom Homes"), served as an employee of Invescorp and was in the business of building homes.

COUNT 1

(18 U.S.C. § 371: Conspiracy to Commit Wire Fraud)

6. From in or about February 2006 through in or about February 2009, in the State and District of Minnesota and elsewhere, the defendants,

**TRUNG QUANG TRAN,
a/k/a "Calvin,"
VINCE LONG NGUYEN,
THANH VAN NGO,
a/k/a "Tommy,"
DANG HAI NGUYEN, and
JESSE STEVEN MOXNESS,**

did unlawfully and knowingly conspire, combine, confederate and agree with other persons known and unknown to the grand jury to

U.S. v. Trung Quang Tran et al.

commit an offense against the United States, that is, to devise a scheme and artifice to defraud and to obtain money by means of material false and fraudulent representations and promises and, for the purpose of executing such scheme, to cause to be transmitted by means of interstate wire certain writings, signs, signals, pictures, and sounds, in violation of Title 18, United States Code, Section 1343.

PURPOSE OF THE CONSPIRACY

7. The purpose of the conspiracy was to fraudulently obtain loan proceeds by making materially false representations and promises and withholding material information about the residential property purchases orchestrated by Tran, Vince Long Nguyen, Ngo and others acting on their behalf.

MANNER AND MEANS

8. Tran and Ngo recruited Investors who maintained good credit. Tran and Ngo enticed potential Investors to purchase a home, previously selected by Tran and/or Ngo, by representing to potential Investors that Ngo & Tran and/or Invescorp would pay the Investor between \$1,250 and \$10,000 per transaction.

9. Beginning in 2007, Dang Hai Nguyen, at Tran's direction, began recruiting Investors for Invescorp. Tran and Ngo, directly and through others, including Dang Hai Nguyen, solicited individuals with good credit histories to purchase homes. Dang Hai

U.S. v. Trung Quang Tran et al.

Nguyen, being fully aware of the fraudulent scheme, was paid by Invescorp for every Investor he recruited.

10. Tran and Ngo, and others acting at their direction, falsely represented to Investors that Ngo & Tran and/or Invescorp would lease the properties and use the rents to make the Investors monthly mortgage payments. In addition, Tran and Ngo falsely represented to Investors that the property would be sold at a profit, which would be shared by the Investors and Tran and Ngo.

11. Once an Investor decided to buy a property, Tran and Ngo, aided by Dang Hai Nguyen, fraudulently assisted the Investor by producing fraudulent 1003 loan applications, which were then provided to various lenders, for the purpose of loan underwriting. The fraudulent documentation falsely overstated the Investors' assets, income, nature of employment and fraudulently omitted the Investors' other real estate liabilities. The false representations and omissions were material. Based on the fraudulent documentation, the proposed loans were approved. These loans totaled more than approximately \$20,000,000.

12. After a loan was approved based on the fraudulent underwriting package provided by Tran or Ngo, Tran or Ngo in many instances, contacted Vince Long Nguyen at Wells Title. Generally, the lender disbursed loan proceeds to Wells Title. Tran and Ngo then worked with a Vince Long Nguyen to execute the fraudulent

U.S. v. Trung Quang Tran et al.

scheme by disbursing the funds in a manner other than what was understood by the lender. Namely, concealed and unconcealed payments were made to either Ngo and Tran Properties or Invescorp without the lenders' knowledge. Vince Long Nguyen, or another employee acting under his control and at his direction, also provided fraudulent documentation, namely false settlement statements, to the lender so as to conceal the fraudulent scheme.

13. Tran, Ngo, and Vince Nguyen fraudulently also concealed that they provided funds to the Investors to be passed off as the Investors' own funds to close the transactions, thereby misleading mortgage loan lenders to believe that the Investors had a financial stake in the purchased residence and thus incentive to pay the loan.

14. Prior to, and following, the closing of each real property transaction, these false HUD-1 forms were sent to the lender to falsely represent that the transaction had closed according to the terms of the transaction understood by the lender.

15. Following the closing of each of these real property transactions, Tran and Ngo - directly or indirectly - received a portion of each Investor's mortgage loan proceeds, described in closing documents as "management fees," "debt to be paid," or simply as a payoff. In at least fifty-four separate real estate

U.S. v. Trung Quang Tran et al.

transactions, Tran and Ngo secured approximately \$4,769,623 in fraudulent payments from the loan proceeds. The fraudulent payments were then distributed, in part, to the Investors, Tran, Ngo, Dang Nguyen, Vince Nguyen, Moxness and other participants in the fraudulent scheme.

16. Despite promising Investors that they would pay the Investors' mortgage loan payments, Tran and Ngo failed to timely pay certain mortgage loan payments for these approximately fifty-four properties, resulting in foreclosure proceedings against the Investors, short-sales, and significant damage to the Investors' credit. In some instances, Tran and Ngo made no payments.

17. From in or about 2007 through in or about February 2009, Moxness, working for both MSJ and Invescorp, built nine of the fifty-four homes in furtherance of the fraud. Moxness, as described above, received approximately \$15,000 of the fraudulent loan proceeds for each residence built.

18. From in or about February 2006 though in or about February 2009, Tran and Ngo, with the assistance of others acting at their direction, convinced Investors to purchase approximately fifty-four residential properties in Minnesota in this manner resulting in fraudulent loans of approximately \$20 million and losses of approximately \$5 million.

U.S. v. Trung Quang Tran et al.

OVERT ACTS

19. In furtherance of the conspiracy and to achieve its object, all of the above listed defendants committed, directly and through accomplices, among other acts, the following overt acts (which encompass only some of the real estate transactions involved in the conspiracy):

Sale of 8975 Tamarack Street, Northwest, Coon Rapids, Minnesota

a. On or about July 16, 2008, defendant Tran, using a straw purchaser, falsified the loan application by supplying materially false information regarding the straw purchaser's primary residence, bank assets, monthly income and employment position. Invescorp, through Tran, wrote the check to Wells Title for the down payment and for the earnest money. This caused U.S. Bank to issue a loan in the amount of \$410,400.00. At the time of closing, the HUD showed that the seller of the home, MSJ, through defendant Moxness, was to receive \$107,699.22 at the closing. Although no work was done by Invescorp and contrary to what was listed on the HUD, the \$107,699.22 was instead wire transferred at Vince Long Nguyen's direction to Invescorp. Following the wire transfer, defendant Tran paid Moxness \$6,500 for his participation in selling the property.

U.S. v. Trung Quang Tran et al.

Sale of 1696 7th Street Northwest, Buffalo, MN

b. On or about September 18, 2008, a straw purchaser, recruited by defendant Dang Hai Nguyen, purchased the above mentioned property. Defendant Tran falsified the loan application by supplying materially false information regarding the straw purchaser's bank assets, monthly income, employment position, and tax returns. Invescorp, through Tran, wrote the check to Wells Title for the down payment and for the earnest money. This caused U.S. Bank to issue a loan in the amount of \$684,000. At the time of closing, the HUD showed that the seller of the home was to receive \$204 at the closing. Although no work was done by Invescorp and contrary to what was disclosed on the HUD, \$294,800 was instead wire transferred at Vince Long Nguyen's direction to Invescorp. Following the wire transfer, defendant Tran paid the straw purchaser \$7,600 and paid defendant Dang Hai Nguyen \$3,800 for finding the straw purchaser.

Sale of 674 Concordia Avenue, St. Paul, Minnesota

c. On or about November 28, 2006, defendant Ngo, acting as a loan officer and representative of Ngo and Tran Properties, falsified loan documents, signing the same documents as true and correct. As a result of the sale of this property, Ngo and Tran Properties received \$70,753 as a "private debt to be paid." Ngo and Tran Properties did no work on this property other than to

U.S. v. Trung Quang Tran et al.

provide the straw purchaser. On November 29, 2006, a check was deposited in Ngo and Tran Properties account for \$70,753. Shortly thereafter, defendant Ngo received \$63,500 from this same bank account while defendant Tran received \$6,600. On December 1, 2008, defendant Ngo paid the straw purchaser \$10,000.

COUNTS 2-9

(18 U.S.C. § 1343: Mortgage Fraud through Use of the Interstate Wire)

27. The grand jury re-alleges and incorporates by reference the allegations contained in paragraphs 1 through 19 as though fully stated herein for the purpose of alleging the substantive wire fraud offenses alleged in Counts 2 through 9 below.

28. On or about the dates set forth below, in the State and District of Minnesota, the defendants,

TRUNG QUANG TRAN,
a/k/a "Calvin,"
VINCE LONG NGUYEN,
THANH VAN NGO,
a/k/a "Tommy,"
DANG HAI NGUYEN, and
JESSE STEVEN MOXNESS,

along with others known and unknown to the Grand Jury, each aiding and abetting the others, for the purpose of executing the above-described scheme and artifice, did knowingly cause to be transmitted, in interstate commerce, by means of wire communication, certain signals and sounds, as further described below:

U.S. v. Trung Quang Tran et al.

Count	On or About Date	Wire Communication
2	December 21, 2007	Wire transfer of \$512,000 from Wells Fargo Bank in Oregon to Wells Title in Minnesota
3	April 30, 2008	Wire transfer of \$400,500 from Wells Fargo Bank in Oregon to Wells Title in Minnesota
4	May 19, 2008	Wire transfer of \$297,000 from Wells Fargo Bank in Oregon to Wells Title in Minnesota
5	May 20, 2008	Wire transfer of \$400,250 from Wells Fargo Bank in Oregon to Wells Title in Minnesota
6	June 3, 2008	Wire transfer of \$329,000 from Wells Fargo Bank in Oregon to Wells Title in Minnesota
7	July 16, 2008	Wire transfer of \$410,400 from U.S. Bank in Wisconsin to Wells Title in Minnesota
8	September 18, 2008	Wire transfer of \$684,000 from U.S. Bank in Wisconsin to Wells Title in Minnesota
9	February 19, 2009	Wire transfer of \$666,750 from U.S. Bank in Wisconsin to Wells Title in Minnesota

all in violation of Title 18, United States Code, Sections 1343 and 2.

U.S. v. Trung Quang Tran et al.

FORFEITURE ALLEGATIONS

The Grand Jury realleges and incorporates paragraphs 1 through 28 of the Indictment, and makes it a part of these forfeiture allegations.

As the result of the offenses alleged in Counts 1 through 9 of this Indictment, the defendants,

TRUNG QUANG TRAN,
a/k/a "Calvin,"
VINCE LONG NGUYEN,
THANH VAN NGO,
a/k/a "Tommy,"
DANG HAI NGUYEN, and
JESSE STEVEN MOXNESS,

shall forfeit to the United States pursuant to Title 18, United States Code, Section 981(a)(1)(C), and Title 28, United States Code, Section 2461(c), all their rights, title and interest in any property constituting, or derived from, proceeds traceable to the violations of Title 18, United States Code, Sections 371, 1343, and 2.

A TRUE BILL

UNITED STATES ATTORNEY

FOREPERSON